



Unhealthy alliance

November 25, 2014

I received a suggestion for a column today that frankly set me back a little.

It described how the current administration is now teaming with the insurance companies. It has not been but a few years ago the insurance companies were accused of padding profits and denying coverage to the sick. These are the same insurers that viewed government as the ones that imposed taxes, fees along with countless regulations and had the power to cut payment rates and cap profit margins.

The only group that always pays and pays dearly is you, the patient, the consumer! An excerpt from an article by Robert Pear states, “‘Insurers and the government have developed a symbiotic relationship, nurtured by tens of billions of dollars that flow from the federal Treasury to insurers each year,’ said Michael F. Cannon, director of health policy studies at the libertarian Cato Institute.”

I am still waiting to read, see or hear how the billions of dollars pumped into the health care system has reduced the cost of hospital stays and procedures or insurance premiums. I have a feeling that the wait will be a long one because the focus is on making money; not reducing cost and improving quality.

It is reported that since the law was signed that share prices for four of the major insurance companies — Aetna, Cigna, Humana and UnitedHealth — have more than doubled, while the Standard & Poor’s 500-stock index has increased about 70 percent. I am still waiting to see the promised reduction in the cost of health care stated when they were selling the plan. The reported shucking and jiving by the intellectual professor consultant that we are seeing so much about on television seems to focus on how stupid we are as they marketed the program to the American people.

Read this excerpt below and ask yourself if it lowered your cost of care?

“In a survey of 10 insurance companies, Joshua R. Raskin, an analyst at Barclays, reported that their revenues from the Medicare Advantage program were up about 10 percent this year. UnitedHealth Group’s Medicaid enrollment surged by nearly one million people, or 24 percent, in the last year, said Stephen J. Hemsley, the chief executive. At another large insurer, WellPoint, the expansion of Medicaid ‘is proving highly profitable,’ Christine Arnold, a managing director of Cowen and Company, wrote in a recent report.” Note the highly profitable!

This is the same industry being attacked in 2010 for what they said were its high prices and discriminatory practices; no company was reported more of a target than WellPoint, which had sought rate increases of up to 39 percent in California. But WellPoint, which operates Blue Cross and Blue Shield plans in a number of states, is now prospering.

It appears everybody is prospering except the patient/consumer as they watch their premiums continue to increase and employers drop out of providing coverage.

Let's wrap this up with a quote because it is becoming distasteful to talk or even think about it after learning how we are considered stupid so they cannot tell us the truth.

“With all the politics of the Affordable Care Act, people don't realize how much the insurance industry has benefited, and will continue to benefit, from the law,” said Jay Angoff, the administration's top insurance regulator from 2010 through 2012.”

Healthy alliance for the government and insurance companies, but how healthy for you?